

HARD COPY



UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-16013

In the Matter of

NICHOLAS D. SKALTSOUNIS,

Respondent.

DECLARATION OF
MICHAEL J. RINALDI

I, Michael J. Rinaldi, to the best of my knowledge, information, or belief, hereby declare and state as follows:

1. I am over eighteen years of age and competent to make this declaration.
2. I am Senior Trial Counsel with the Division of Enforcement of the Securities and Exchange Commission, in its Philadelphia Regional Office. I am a member of the bars of the Commonwealth of Pennsylvania, the State of New Jersey, and the District of Columbia. I am counsel for the Division of Enforcement in the above-captioned administrative proceeding. I am submitting this declaration in connection with the Division of Enforcement's Motion for Summary Disposition and Memorandum of Points and Authorities in Support Thereof (the "Motion for Summary Disposition"), which accompanies this declaration. This declaration is made in support of the Motion for Summary Disposition.
3. Attached as Exhibit A to the Motion for Summary Disposition is a true and correct copy of the August 1, 2014, Memorandum Opinion in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 224).

4. Attached as Exhibit B to the Motion for Summary Disposition is a true and correct copy of the Final Judgment as to Defendant Nicholas D. Skaltsounis in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 230).

5. Attached as Exhibit C to the Motion for Summary Disposition is a true and correct copy of the Amended Final Judgment as to Defendant AIC, Inc. in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 233).

6. Attached as Exhibit D to the Motion for Summary Disposition is a true and correct copy of the Final Judgment as to Defendant Community Bankers Securities, LLC in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 228).

7. Attached as Exhibit E to the Motion for Summary Disposition is a true and correct copy of the Final Judgment as to Relief Defendant Allied Beacon Partners, Inc. (f/k/a Waterford Investor Services, Inc.) in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 227).

8. Attached as Exhibit F to the Motion for Summary Disposition is a true and correct copy of the Final Judgment as to Relief Defendant Advent Securities, Inc. in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 225).

9. Attached as Exhibit G to the Motion for Summary Disposition is a true and correct copy of the Final Judgment as to Relief Defendant CL Wealth Management, LLC (f/k/a Allied Beacon Wealth Management, LLC and CBS Advisors, LLC) in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 229).

10. Attached as Exhibit H to the Motion for Summary Disposition is a true and correct copy of the Complaint in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 1).

11. Attached as Exhibit I to the Motion for Summary Disposition is a true and correct copy of the First Amended Complaint in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 65).

12. Attached as Exhibit J to the Motion for Summary Disposition is a true and correct copy of the Agreed Pretrial Order in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 157).

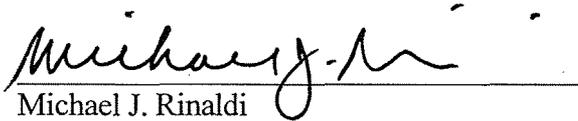
13. Attached as Exhibit K to the Motion for Summary Disposition is a true and correct copy of the September 12, 2013, Memorandum Opinion & Order in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 159).

14. Attached as Exhibit L to the Motion for Summary Disposition is a true and correct copy of the AIC Defendants' and Relief Defendants' Response to Plaintiff's Motion for Entry of Final Judgment in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.) (Doc. 207).

15. Attached as Exhibit M to the Motion for Summary Disposition is a true and correct copy of a letter from me to Steven S. Biss, Esquire, with copy to respondent Nicholas D. Skaltsounis, dated August 20, 2014.

16. Attached as Exhibit N to the Motion for Summary Disposition is a true and correct copy of a portion of a transcript of a March 22, 2013, deposition in SEC v. AIC, Inc., No. 3:11-cv-00176 (E.D. Tenn.).

I declare under penalty of perjury that the foregoing is true and correct. Executed on
October 17, 2014.



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